Committee to advise in cases against companies

*25. SHRIMATI JAYA BACHCHAN: Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether Government have appointed a committee to aid and advise in cases pending against 50,000 companies for various violations;

(b) what kind of advice the committee is expected to render; and

(c) whether any terms of reference have been drawn up in this regard and if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREMCHAND GUPTA): (a) Government has constituted an Expert Group to examine issues relating to streamlining of the prosecution mechanism under the Companies Act, 1956.

(b) and (c) Expert Group has been requested to advise on the following issues:

a. Identification of broad categories of offences for which cases filed for violations of Companies Act, 1956, are pending and the period thereof;

b. The reasons for excessive pendency where relevant;

c. Review of the steps taken in the past to expedite disposal of these cases, their outcome and the constraints;

d. identifying ways and means through which disposal of these cases could be expedited;

e. Ways and means for expeditious disposal of cases of purely technical nature and workable mechanism to enable this in a definite timeframe.

Oil Prices in International Makret

*26. SHRIMATI PREMA CARIAPPA:
SHRI MOTILAL VORA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government are aware of the rapidly increasing international oil prices that have already touched the figure of US$ 60 per barrel;

(b) whether the international oil prices would further increase; and

(c) what steps Government propose to take in this regard and whether there is adequate oil reserve in the country to face any eventuality?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) The Western Texas Intermediate market has crossed US$ 60/barrel and the Indian basket of crude oil touched the record high of US$ 57.27/bbl on 8th July 2005 as per the statement. (*See* below)

Government have been continuously monitoring the movement of international oil prices which have been rising sharply since December 2004. International oil prices have been found to be sensitive to a host of factors including changes in supply and demand conditions of oil, macro economic policy and regulatory change in major oil producing/consuming countries, changes in forecasts on global climate, geo-political developments in oil producing regions and speculative inter-play in the commodities markets. Uncertainties associated in these factors make it difficult to accurately predict the future trend in international prices.

(c) With a view to containing the burden of increase in international prices on consumers of sensitive petroleum products, it was decided that the burden should be equitably shared also by the Government and oil Companies. Thus, Government reduced the excise duty on petrol and diesel by 4% and 3% respectively effective 16/6/04. Effective 19/8/04, the excise duty on petrol and diesel was further reduced by 3%. The Government also reduced customs duty by 5% each on petrol and diesel with effect from 19/8/04. In the Budget 2005-06, custom duty on crude was reduced from 10% to 5%, on kerosene and LPG from 5% to nil and in other petroleum products from 15-20% to 10%.

The Oil Marketing Companies (OMC),in accordance with administrative instructions, have been modulating impact of high oil prices on domestic retail prices of sensitive products, namely PDS Kerosene, Domestic LPG, Petrol and Diesel. The prices of kerosene have remained unchanged since March 2002. Nominal increases have been allowed in the prices of Domestic LPG. Nominal increase have also been made in the prices of petrol and diesel in November 2004 as well as in June 2005.

In addition to the total crude oil and major product holding capacity available with the oil companies, which at present covers 82 days, it has been decide to build as strategic storage of 5 MMT capacity (for 15 days

cover) as an emergency response mechanism against short term oil supply disruptions, thus providing for a total weighted average cover for over 90 days of net oil imports.

Statement

Trend in the international oil prices

Period	Crude oil (Indian Basket)
2000	27.29
2001	23.52
2002	24.38
2003	27.75
2004	35.86
Jan 2005	40.99
Feb 2005	42.58
Mar 2005	49.27
April 2005	49.47
May 2005	47.04
June 2005	52.75
8.7.2005	57.27
Increase in international prices in June 2005 over 2002	216%

Deduction of TDS from Hospitals/Nursing Homes

*27 SHRI MOTILAL VORA:
SHRI JANARDAN DWIVEDI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that deducting TDS from the payment to be made by big hospitals/nursing homes in private sector and coaching institutes to the doctors, teachers and professors is compulsory;

(b) the details of such big hospitals/nursing homes and coaching institutes which either did not deposit the same even after deducting TDS or did not deduct itself; and

*Original notice of the question was received in Hindi.